we would look at and see if the broadcaster was meeting most of them, if their license was going to be re-upped.

Were they going out and talking to their listeners and viewers about what kind of issues and programs should be on? Were they producing local news using local talent, real news where they're covering community sports, city councils, political campaigns, were they teeing up important issues and offering a variety of view points?

No more. That's all gone. Done away with, beginning with an FCC chairman in the 1980s who said, You know what, the television is really nothing but a toaster with pictures, and that's exactly how they proceeded to treat it. All the public interest obligations went away. You get your license now every eight years, you send in a post card and by return mail generally we send it back, no questions asked. We don't even look usually at the public file we require stations to keep.

So should we be surprised that things are so out of whack? And let's not just blame the broadcasters, blame the FCC too for being asleep at the switch for many of the last 25 years.

(Applause.)

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COMMISSIONER COPPS: So we need a system of license renewal that brings the bargain back to life, that enforces it by withholding licenses for those who aren't doing their job, and ensures that the airwaves that belong to you are actually serving you. And I say to you, and I say to my colleagues, it should be the top priority of the FCC to put some life back into our public oversight responsibilities. Let's start with licensing, and let's start now.

(Applause.)

have been my top priority issues since I joined the Commission about six years ago. A lot of people say, Well, Copps, why do you get so wound up about these issues? And I'll tell you why, I know that there are a lot of critically important issues facing your country and mine right now, Iraq, how do you find and keep a good job, how do you make sure our families have health insurance, how do we educate our kids, how do we create equal opportunity and justice for all? And for various members of this audience, one of those issues may trump all the other issues.

But here's my message, even if media consolidation is not your number one issue, it ought to be your second most important issue, and that's

1 because all those other issues that you care about are 2 increasingly funneled and filtered through big media, 3 if they're lucky enough to get funneled at all. (Applause.) 4 5 COMMISSIONER COPPS: Now if you're happy, if you're happy with how that important issue of yours 6 7 is being dealt with, you don't need to listen to me 8 anymore, but if you think that big issue might just 9 benefit a little from more diversity, more local 10 input, more coverage, more competition, you need to get involved, you need to get involved big time, you 11 12 need to act like your future depends on it, because it 13 does. Thank you for coming here and for sharing 14 15 your thoughts with us. 16 (Applause.) COMMISSIONER COPPS: I'll quit while I'm 17 ahead. 18 CHAIRMAN MARTIN: Commissioner Adelstein. 19 COMMISSIONER ADELSTEIN: Good afternoon 20 everybody. It's great to be here. I'd like to thank 21 Reverend Jesse Jackson and Operation Push for hosting 22 I remember Reverend Jackson stood with us that 23 day in June in 2003 when we voted out those rules. 24

every

was with us

25

second till those rules were

stopped, and he's with us today, and we thank him for his leadership.

(Applause.)

appropriate that we come back here to Chicagoland to discuss media ownership and diversity. This area is one of the most racially and ethnically diverse of any in America, but the ownership of the media outlets look nothing like the people they're licensed to serve.

It's outrageous that in Chicago, with all of its diversity, has the lowest proportion of minority radio ownership of the nation's 22 largest markets. Thank God for WVON that was here, we have something.

(Applause.)

COMMISSIONER ADELSTEIN: So here we have a city, roughly two thirds of the people in this city are Black and Hispanic, over half are women, but they collectively own just 5 or 6 percent of the TV and radio stations? There's something clearly wrong with this picture. With this much diversity among the people of Chicago, and so little diversity in the ownership of the media, it's only fitting that we hold a hearing on media ownership right here.

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And this hearing rightly focuses on media diversity and on ownership diversity. It's right in the founding charter of the FCC that our job is to promote the public interest, not the interest of the media giants that we are said to oversee.

(Applause.)

COMMISSIONER ADELSTEIN: That charter requires us to take affirmative steps to prevent discrimination on the basis of race, gender, religion, and nationality. And it requires us to affirmative steps to promote the diversity ownership, because in America ownership is the key to having your voice heard. It's not enough to simply work the land in America today, it's more important to own the land.

Now African-Americans in Chicago understand the distinction all too well. Many families migrated from the South to Chicago in the early decades of the 20th Century to escape sharecropping, poor economic conditions, lynch mobs. They migrated here seeking living conditions, economic and political better The Chicago Defender, the pioneer of the rights. Black press, was remarkably successful in encouraging this great migration.

Now many of these migrants who came to

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Chicago started businesses, they were entrepreneurs. And since then Hispanic Americans have come, and so many other ethnic groups, to pursue the American dream right here in Chicago. But as we all know, when it comes to the ownership of the public airwaves, that dream has not been realized.

Ownership of broadcast and radio and TV stations by females and minority groups is a dream deferred, a dream neglected by the FCC, the very agency that is designed to protect your rights. When it comes to ensuring that composition of the people who use the public's airwaves to serve the American people also look like the American people, the FCC's legacy does not make us proud.

As one recognized expert on the FCC's history of managing the public airwaves and minority concerns has said, For three generations the FCC has waged a deliberate campaign calculated specifically to ensure that people of color would be barred from membership in the nation's most exclusive private club, the public airwaves. And he added that, It's unfortunate the FCC continues with its anti-diversity campaign today.

In a rare moment of candor before I joined the FCC, the FCC itself acknowledged that as a result

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of our system of awarding broadcast licenses in the early days, no person of color won a competitive hearing until 1975. It concluded that, and I'm going quote, "The special incentives for minority businesses are needed in order to compensate for a very long history of official actions which deprived minorities of meaningful access to the public spectrum."

The FCC said this as a group in 1995. Unfortunately, today women and people of color continue to be deprived of meaningful access. The FCC has not promoted policies to compensate or promote diversity. An interest that the Supreme Court has recognized as a compelling state interest.

Rather than taking regulatory steps promote diversity of ownership, in fact we've taken steps specifically to undermine it. In 2003, over my strong objection and that of my colleague Commissioner Commission changed ownership Copps, the companies permit big to qet even bigger. Opportunities to promote small, female, and minority owned businesses were cast aside.

In fact, the Commission actually repealed the only remaining rule that we had on the books specifically aimed at fostering diversity. As your

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own Senator Barack Obama said, an excellent statement, as was Senator Durbin's, We promoted the concept of consolidation over diversity.

The results of this consolidation is not only a lack of ownership diversity, but it's also a lack of programming diversity. And, again, people of color are the biggest losers. We see the constant stereotyping we've heard about today of African-American and Latino men and women by multi-national corporations. They have no real connection to the needs of the community.

Because of the FCC's refusal to define broadcasters' public interest obligations, investors on Wall Street and advertisers on Madison Avenue dictate the images your children see, and those images define our children's dreams for the future. So pimps and thugs become common fare.

And this is why I'm pleased that your own Congressman, Bobby Rush, is holding hearings on Capitol Hill about stereotypes in the media. And that's why I'm pleased that our Chairman, Chairman Martin, invited organizers from Enough is Enough campaign to address the public about these concerns here today.

Luckily the Federal Appellate Court

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1	reversed the FCC's 2003 order. In a stinging
2	indictment, the court said, and I'm quoting,
3	"Repealing its only regulatory provision that promoted
4	minority ownership is inconsistent with the
5	Commission's obligation to make broadcast spectrum
6	available to all people without discrimination on the
7	basis of race."
8	Can you image a court would, in this
9	century, reprimand us in that way? The FCC's decision
10	marked a sad day in a sad history of neglect of
11	minority ownership by the FCC. We now need a
12	comprehensive response to the lack of diversity in
13	programming and ownership. We need to develop
14	policies that engage minorities as owners of the
15	media, not as consumers or sharecroppers.
16	We need to turn our legacy around
17	(Applause.)
18	COMMISSIONER ADELSTEIN: let's turn this
19	history around, starting right here, right now in
20	Chicago, right here at Rainbow Push and Dr. King's
21	workshop.
22	(Applause.)
23	COMMISSIONER ADELSTEIN: So today, as one
24	who believes that we should not longer shirk our
25	responsibility to the American people, I'm calling on

all of my colleagues and our Chairman to join me in creating a bipartisan, independent panel to review more than 40 policy recommendations that were proposed by the FCC's Diversity Committee and the Minority Media Telecommunications Council.

We need to put the past behind us and establish a panel of outside experts to conduct a thorough review of all of these regulatory proposals, the dozens of diversity enhancement recommendations that have been collecting dust at the FCC as far back as 1992. I think 15 years is long enough. Don't you?

(Applause.)

COMMISSIONER ADELSTEIN: As they say, justice deferred is justice denied. So I hope that the Chairman and my colleagues will join me in creating this independent panel representing the interests of all stakeholders who want broadcasters, minority and female broadcasters included, investors, advertisers, public interest groups, all the experts to help us deliver a comprehensive answer to the dearth of female and minority ownership.

We can't wait any longer. We need the answers to these fundamental issues of justice, fairness and diversity before we act on any rules to further consolidate the media. It'd be wrong to make

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any decision about media ownership until we implement 1 policies recommended by the independent panel to 2 3 the sorry state of female and minority 4 ownership. 5 (Applause.) ADELSTEIN: 6 COMMISSIONER And as 7 Commissioner Copps said, it'd be wrong to make any changes to our media ownership rules that would 8 undercut the ability of women and people of color to 9 own the airwaves and have their unique voices heard. 10 We can accomplish this There's no need to delay. 11 quickly if we start now. We need to live up to our 12 charter once and for all. 13 So thank you for coming out, and I'm ready 14 to hear from all of you. I appreciate you having us. 15 (Applause.) 16 COMMISSIONER TATE: Thank Mr. 17 you, Chairman, thank all of you all so much for being here 18 tonight, and especially to the Rainbow Push Coalition 19 for your hospitality in hosting all of us here. 20 Certainly one of my top priorities, and as 21 required by law, is to implement 22 you've heard, policies that are in the public interest. And that's 23 why these hearings that we are holding all across 24 America are so crucially important. Today and tonight 25

we'll hear how real people in real places, you, receive and utilize vital news and entertainment, and even emergency information during times of crisis.

During our first four public hearings, we learned great deal about issues facing local citizens in other cities. broadcasters, local citizens, artists, songwriters, producers. Today we want to hear from you, the citizens of Chicago and surrounding area, especially since Chicago is the third largest media market in America.

Chicago has always held a special place in my heart, because where I grew up in Tennessee, WLS was the only radio station that I could get at night.

Music and media have always been a part of my life growing up in Nashville, Music City USA.

And I believe that it's even more true of young people today. It's important to take into consideration the views and the habits of our younger generation, or as I refer to them, my children's age, the I generation, those they grew up with the Internet. It's the I generation that will truly be impacted by the decisions that we make today.

This morning I spoke to a group of law students at Northwestern Law School, and we'll hear from one of those students in just a few minutes.

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While I was there, I wanted to hear how the students get their news and information today. And while some of the students, here and around the country when I speak, continue to rely on local radio and television, the most significant response might have been one that I didn't even ask for, blogs.

From student responses, it was clear that blogs represent a growing sector of America's news and Internet enables information sources. Today the individuals of any age to be writer, reporter, editor and publisher of news. Whether in small towns or especially major media markets, people, Ι generation, continue to have access to more and more news and information outlets than ever before. just here in Chicago, not just in the United States, but from all around the world.

I want to thank each of our esteemed panelists for being here, on both of our panels. Broadcasters, economists, citizens, professors, and many engaged citizens. As one of the new Commissioners, I look forward to hearing from all of you who have taken time to be here tonight.

Obviously as the only woman on the FCC, I share many of your concerns about ownership, women and persons of color. So I'm looking forward to

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1 especially hearing creative ideas such as WVON's lease 2 and sharing agreement that could provide yet another avenue and opportunity for women and minorities. 3 4 Thank you, and I look forward to hearing 5 from all of you. 6 (Applause.) 7 CHAIRMAN MARTIN: Thank you, Commissioner 8 Tate. 9 Commissioner McDowell? 10 COMMISSIONER McDOWELL: Thank you, 11 Chairman. We've gone from saying good afternoon to 12 good evening. So what I'd like to do is actually hear 13 from you, the people of Chicago, on this issue, and --14 (Applause.) 15 COMMISSIONER McDOWELL: -- I'd like to just 16 submit my statement for the record, and I won't be 17 reading it. But I do have a personal interest in the 18 Chicago media market. My mother, my late mother, 19 Martha Shea McDowell, was a pioneer. She was one of 20 the early female journalists here in Chicago, working 21 for the late, great Chicago Daily News, and this is in 22 the early 1950s. So I feel a kinship to the people of Chicago, although I'm a native of Virginia. 23 24 And without further ado, I'm going to just 25 So thank you all very much for coming tonight

and having us.

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(Applause.)

CHAIRMAN MARTIN: At this point, I'm going to turn it over to our Moderator, Louis Sigalos, who's the Chief of the Consumer Affairs and Outreach Division of the CGB. And I should also just highlight, because as we go through the -- we'll have the first set of panelists and then we'll be opening up for public comment.

Some of the Commissioners on occasion may run off to the restroom, but they'll be right back. So if anybody disappears, they'll be coming back, so don't panic.

And, Louis, if you want to go on and start the presentation with the panelists?

MODERATOR SIGALOS: Thank you, Mr. Chairman, and Commissioners.

As we move to our first panel discussion, I'd like to review the ground rules very briefly. Panelists, each of you will have five minutes on the clock to make your remarks. I will be strictly enforcing this time limit to leave the public as much time as possible for the public comment period. We're running a bit behind, so I urge you to please, please honor this five minute time limit.

	Members of the audience, please listen
2. \	respectfully to the panelists, even if you disagree
3	with the views that they express. I know that the
4	issues we're discussing today arouse a lot of passion,
5	but for this hearing to run smoothly and be
6	successful, we need to maintain a basic decorum and
7	avoid unnecessary interruptions. Thank you.
8	Participating in this panel are KRS-One,
9	hip-hop MC artist. Charles
10	(Applause.)
11	MODERATOR SIGALOS: Charles Benton,
12	Chairman of the Benton Foundation. Karen Bond,
13	Executive Director, National Black Coalition for Media
14	Justice.
15	(Applause.)
16	MODERATOR SIGALOS: Cynthia Canary,
17	Director, Illinois campaign for political reform.
18	(Applause.)
19	MODERATOR SIGALOS: John Chadwick, Vice
20	President, General Manager, WREX-TV, NBC, Rockford,
21	Illinois.
22	(Applause.)
23	MODERATOR SIGALOS: Melody Spann Cooper,
24	General Manager, WVON-AM, Chicago, Illinois.
25	(Applause and cheers.)
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1	MODERATOR SIGALOS: Marv Dyson, Director of
2	Operations, WKKC-FM
3	(Applause.)
4	MODERATOR SIGALOS: Kennedy-King
5	College, Founding Partner, Urban Radio Broadcasting
6	LLC. Tom Langmyer, Vice President and General
7	Manager, WGN Radio, Chicago, Illinois.
8	(Applause.)
9	MODERATOR SIGALOS: Dorothy Leavell,
10	Publisher/Editor, The Chicago Crusader.
11	(Applause.)
12	MODERATOR SIGALOS: Dennis Lyle, President
13	and CEO, Illinois Broadcasters Association.
14	(Applause.)
15	MODERATOR SIGALOS: Doug Nowakowski,
16	International Representative, International
17	Brotherhood of Teamsters.
18	(Applause.)
19	MODERATOR SIGALOS: Silvia Rivera, General
20	Manager, WRTE-FM, Radio Arte'.
21	(Applause.)
22	MODERATOR SIGALOS: Dana Withers,
23	President, Dana Communications Incorporated, Benton,
24	Illinois.
25	(Applause.)
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MODERATOR SIGALOS: Mr. KRS-One, if you'll 1 2 begin? 3 KRS-One: Sure. Here? 4 MODERATOR SIGALOS: You can go right there. 5 KRS-One: You know, first of all, I'd like Thank you for 6 to just -- okay, I can see the clock. 7 inviting me here. It was kind of an impromptu thing. 8 I'm on tour, I just was coming through to Chicago and I heard that this was happening. And I kind of just 9 like scratched my sound check to be over here. So I'm 10 going to speak for a minute and then I'm going to run 11 and do my -- finish the rest of the tour. 12 But one thing I wanted to point out, I 13 14 really wish I was here to hear everyone speak at the beginning, but I would like to emphasize something 15 powerlessness 16 that deals with power, Hearings are just that, hearings. 17 powerfulness. are listening to ideas go back and forth. But as we 18 sit here right now, there are hundreds of recording 19 artists that can't get their record played on radio. 20 21 (Applause.) Now, you know, I'm not here to 22 KRS-One: point any fingers, of course, but I will mention one 23 radio station while I'm here. WGCI. 24

(Applause.)

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KRS-One: Now 20 years ago I started something called the Rap Down on WGCI, with another DJ called Pink House, rest in peace.

(Applause.)

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KRS-One: And I want to return to the frame of power. Either we're going to sit here and we're going to talk, talk, talk, talk, talk, or we're going to leave this auditorium and do something of some significance.

(Applause.)

KRS-One: I would like us all to get up I'm sitting here, I'm in a right now and go to WGCI. way honored in a way to be sitting here with all of We may have never met on any other situation. you. I'm here with the FCC Chairman. You have a job ahead Because -- I say this because in a of you, no doubt. way this is like the police force of radio. Federal, Federal Communications Commission. But if you have a government that is run by big business, how can the FCC really get that business out of radio? That's my question.

My question is -- with my last two minutes -- is I've seen this first hand, the issue is not so much ownership. That is a noble issue and we should be owning more, no doubt. But what difference

does it make if you own a station, if you don't, whether you're Black, White, woman, whatever. If your heart is not in the right place, it don't matter who 4 owns the station.

(Applause.)

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KRS-One: You're going to keep pushing that same nonsense. Last point. My name is KRS-One. stands for Knowledge Reigns Supreme, KRS. I do a form hip-hop called edutainment, education through entertainment. Right now as we speak, I can't get my record played, I'm not on the airwaves, nothing. would appeal to the FCC, please help me in this situation. Help me in this situation. Our culture is being criminalized by the radio stations.

(Applause and cheers.)

KRS-One: If -- I only got a minute left -if we can somehow deal with the criminalization of our culture, our culture's called hip-hop, we love hip-And we are not gangsters, we're not pimps, hos, This is not who we are. (Applause.)

But this is what we're being KRS-One: advertised as, and I think it's a public safety issue, because police officers listen to the radio as well, and if they're going to just keep hearing, Yo, I'm a criminal, I'm a pimp, I'm a this, when I walk down the

street, they're going to immediately think that's me. 1 It's a public safety issue, and I beg the FCC to help 2 3 us. Thank you. 4 (Applause and cheering.) 5 MODERATOR SIGALOS: Thank you. (Continued applause and cheering.) 6 7 MODERATOR SIGALOS: Thank you, Mr. KRS-One. Mr. Benton. Mr. Benton. 8 9 MR. BENTON: Well, that's an impossible act to follow. Wonderful last minute fold in. 10 1.1 I'm Charles Benton, Chairman of the Benton Foundation that was founded in 1981. 12 We focus on communications in the public interest. 13 My involvement with media policy reform 14 15 started way back. Nearly 40 years ago, my wife Marjorie and I helped to create the Citizens Committee 16 to Save WFMT shortly after it was purchased by the 17 Tribune Company. We were concerned about keeping the 18 station independent in order to preserve its 19 format. 20 Ultimately, our committee fought 21 the 22 purchase of WFMT by the Tribune on the basis of its concentrated control of media in Chicago. 23 long struggle with the FCC and the Federal Appeals 24 Court, the Tribune finally ended up by donating the 25

station to charity. That is why public broadcasting station WTTW now owns WFMT, and this classical music superstation not only survives, but thrives.

As we all know, and as I just illustrated, the Tribune Company dominates the Chicago media landscape, owning the areas most read newspaper, most listened to radio station, the popular TV station, the area's only 24 hour local cable news channel, the Chicago Cubs, and more. Beyond the Tribune, Chicago media outlets are mainly owned by other non-local large conglomerates, like News Corporation, GE, CBS, Clear Channel, and Bonneville International.

Tonight the Benton Foundation presents a survey of recent research on the state of media in Chicago. It's in the back of room, it's called Chicago Media, Big But Not Diverse. So it's in the back of the room, and on our website, the Benton Foundation website.

Together, with the work of Free Press, The Consumer Federation of America, the University of Wisconsin's News Lab, Northwestern University's Media Management Center, and Columbia College's Community Media Workshop, show that, number one, ownership of Chicago broadcast media does not reflect the city's diversity. You've heard the statistics of the

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nation's 22 largest radio markets, Chicago has the lowest of minority ownership.

Racial and ethnic minorities take up nearly two thirds of the population of the Chicago, yet only 5 percent of Chicago's full power commercial radio and television stations. Women own just 6 percent of Chicago's full power commercial radio and television stations, despite being over half the population.

Number two, Chicago media ownership is too concentrated and predominantly non-local. Four firms control 58 percent of the entire local news media Chicago. Together, four companies, in Channel, Bonneville Tribune, Clear CBS, and International control over two thirds of the revenues from radio in Chicago. Non-local owners control nearly two thirds of Chicago's commercial radio stations.

Three, there are less media outlets here covering Chicago and less reporters of the outlets Chicago's commercial television that remain. failing to adequately serve and newscasts are In the week before the 2006 represent the community. election, Chicago's commercial broadcast TV stations devoted almost twice as much air time on average to political advertising than they did to election

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coverage during a typical 30 minute newscast.

On local TV newscasts in Chicago, for every one woman is heard in a story, there are two men. For every one non-White person who is heard in a story, there are three White people.

Over 45 percent of every local news program here is devoted to news stories -- only 45 percent. Sports and weather each take up 9 to 10 percent of the time on the average, commercials take up 30 percent of the time.

Finally, in a report released today by Children Now we've learned that the total hours of children's broadcast TV programming is down 46 percent in Chicago since 1998. Nationally, Children Now found that duopoly stations owners reduce their services to children substantially more than stations with one TV license at a local market.

If the FCC is considering changes and waivers to ownership rules that would allow for continued and increased media consolidation, it would likely further degrade the quality of news in the number of minority and female owners of media outlets. As mentioned today by Commissioner Adelstein, I hope the FCC will create a bipartisan, independent panel to review the 40 plus policy recommendations from the

FCC's own Diversity Committee.

At various times, Chicago has been an incubator for various program ideas -- and I've got to cut to the quick here. At the very least, the FCC needs to monitor more intently the fulfillment of it's localism, diversity, and competing -- and competition goals before loosening the media ownership rules, and allow --

MODERATOR SIGALOS: Thank you --

MR. BENTON: -- increased concentration of media ownership in Chicago. In fact, what it should do is to enforce the rules that it has had in place for decades.

Thank you --

MODERATOR SIGALOS: Thank you.

MR. BENTON: -- for your time and attention.

(Applause.)

MODERATOR SIGALOS: Thank you, Mr. Benton.

Ms. Bond.

MS. BOND: I'm Karen Bond, Executive Director of the National Black Coalition for Media Justice. To give you some perspective, the Black community, as of the last census, makes up about 40 percent of the population of Chicago, and 26 percent